



Monetary Developments: December 2008

Broad Money Liabilities (BML) expanded by Rs 8,876 million, or 3.3 per cent, from Rs265,605 million at the end of November 2008 to Rs274,481 million at the end of December 2008 compared to a rise of 1.0 per cent recorded between end-October 2008 and end-November 2008. The annual growth rate of BML rose to 14.7 per cent in December 2008, from 13.9 per cent in the previous month. An increase in both net foreign assets and domestic credit drove monetary growth during the month.

With regard to the counterparts of BML, domestic credit expanded by Rs6,194 million, or 2.3 per cent, from Rs266,233 million in November 2008 to Rs272,426 million in December 2008 as against a contraction of 1.9 per cent in the previous month. The annual rate of growth of domestic credit declined from 22.0 per cent in November 2008 to 21.2 per cent in December 2008. Net claims on budgetary central government rose by Rs33 million or 0.1 per cent, from Rs46,925 million in November 2008 to Rs46,958 million in December 2008. Claims on private sector expanded by Rs6,161 million or 2.8 per cent to Rs225,468 million in December 2008 compared to a contraction of 2.4 per cent in the previous month. The annual rate of growth of claims on private sector rose to 25.8 per cent, from 25.5 per cent in the previous month.

The net foreign assets of depository corporations expanded by Rs5,380 million, or 6.4 per cent, from Rs84,140 million in November 2008 to Rs89,521 million in December 2008 as against a contraction of 2.8 per cent in the previous month. As a result, the annual growth rate of net foreign assets showed an expansion of 4.7 per cent in December 2008 compared to a contraction of 6.1 per cent in November 2008. The expansion during the month reflects a rise in net foreign assets of both other depository corporations and the Bank of Mauritius.

COMPONENTS AND SOURCES OF BROAD MONEY LIABILITIES*

(Rs millions)

Components of Broad Money Liabilities	December 2008	November 2008	Month-on-Month change		December 2007	Year-on-Year change	
			Amount	Per cent		Amount	Per cent
1. Currency with Public	16,323.2	14,036.1	2,287.1	16.3	14,260.2	2,063.0	14.5
2. Transferable Deposits	37,030.4	34,012.8	3,017.6	8.9	32,959.1	4,071.3	12.4
I. Narrow Money Liabilities (1+2)	53,353.5	48,048.9	5,304.6	11.0	47,219.3	6,134.2	13.0
1. Savings Deposits	75,849.5	73,949.8	1,899.7	2.6	65,461.2	10,388.3	15.9
2. Time Deposits	89,409.1	89,102.8	306.3	0.3	79,346.1	10,062.9	12.7
3. Foreign Currency Deposits	54,333.7	52,985.9	1,347.8	2.5	45,945.3	8,388.3	18.3
II. Quasi-Money Liabilities (1+2+3)	219,592.3	216,038.5	3,553.8	1.6	190,752.7	28,839.6	15.1
III. Securities other than Shares	1,535.0	1,517.9	17.1	1.1	1,346.5	188.5	14.0
BROAD MONEY LIABILITIES (I+II+III)	274,480.8	265,605.3	8,875.5	3.3	239,318.4	35,162.4	14.7
Sources of Broad Money Liabilities							
I. Net Foreign Assets	89,520.5	84,140.3	5,380.1	6.4	85,520.2	4,000.2	4.7
Bank of Mauritius	56,024.8	53,299.8	2,725.0	5.1	50,880.1	5,144.7	10.1
Other Depository Corporations	33,495.7	30,840.5	2,655.1	8.6	34,640.2	-1,144.5	-3.3
1. Net Claims on Budgetary Central Government	46,958.0	46,925.4	32.6	0.1	45,515.6	1,442.4	3.2
Bank of Mauritius	-3,797.3	-6,100.3	2,303.0	37.8	-270.2	-3,527.1	-1,305.5
Other Depository Corporations	50,755.3	53,025.7	-2,270.4	-4.3	45,785.8	4,969.5	10.9
2. Claims on Private Sector	225,468.3	219,307.2	6,161.0	2.8	179,167.5	46,300.8	25.8
Bank of Mauritius	134.9	134.2	0.7	0.5	250.9	-116.0	-46.2
Other Depository Corporations	225,333.3	219,173.0	6,160.3	2.8	178,916.5	46,416.8	25.9
II. Domestic Credit (1+2)	272,426.3	266,232.6	6,193.7	2.3	224,683.1	47,743.2	21.2
III. Net Non-Monetary Liabilities	87,466.0	84,767.7	2,698.3	3.2	70,884.9	16,581.1	23.4
BROAD MONEY LIABILITIES (I+II+III)	274,480.8	265,605.3	8,875.5	3.3	239,318.4	35,162.4	14.7

Figures may not add up to totals due to rounding.

* Based on the new methodology of the IMF's Depository Corporations Survey framework.

Source: Statistics Division.